

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

33

July 1, 2003

Continued from June 17, 2003

FROM: **EMIL A. MARZULLO**, Director
Special Districts Department

SUBJECT: INCREASE TO THE COUNTY SERVICE AREA REVOLVING LOAN FUND

RECOMMENDATION: Adopt Resolution 03-____, which authorizes the Auditor/Controller-Recorder to increase the County Service Area Revolving Loan Fund by \$500,000, to be used in accordance with loan program guidelines, which would increase the total loan fund to \$1,000,000 (4/5 votes required).

BACKGROUND: The County Service Area Revolving Loan Fund is regulated by Government Code Section 25210.9c. This section provides that "...a county may appropriate any of its available monies to a revolving fund not to exceed \$1 million." The County Service Area Revolving Loan Fund currently has an authorized limit of \$500,000. \$349,044 is outstanding to various improvement zones and County Service Areas, and current capital improvement projects of the Districts require additional lending capacity from the fund.

Approval of this recommendation would increase the County Service Area Revolving Loan Fund from \$500,000 to the legal maximum of \$1,000,000. Funds are loaned to County Service Areas and various Improvement Zones to finance projects subsequent to Board Approval and are subject to repayment with interest within a ten-year period.

REVIEW BY OTHERS: This item has been reviewed by County Counsel (L. Thomas Krahelski) on June 9, 2003; the County Administrative office (Wayne Thies, Administrative Analyst) on June 9, 2003, and (Valerie Clay, Deputy Administrative Officer) on June 5, 2003.

FINANCIAL IMPACT: The \$500,000 increase to the County Service Area Revolving Loan Fund would be made available from the unreserved fund balance in the county general fund. This action would reduce the county's 2002-03 fund balance by \$500,000, and would be loaned to the County Service Area Revolving Loan Fund subject to use and repayment in accordance with loan program guidelines. Accordingly, this action will have minimal financial impact on the county general fund.

SUPERVISORIAL DISTRICT(S): All.

PRESENTER: Emil A. Marzullo, 387-5950.

Record of Action of the Board of Supervisors

CONTINUED TO TUE, 7/1/03 @ 10 A.M.

**BOARD OF SUPERVISORS
COUNTY OF SAN BERNARDINO**

MOTION	<u>AYE</u>	<u>SECOND</u>	<u>AYE</u>	<u>AYE</u>	<u>MOVE</u>
	1	2	3	4	5

J. RENEE BASTIAN, CLERK OF THE BOARD

BY _____

DATED: June 17, 2003

